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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 001125

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DEPT FOR EAP/TC DEPT PASS AIT/W

FROM AIT KAOHSIUNG BRANCH OFFICE

E.O. 12958: DECL: 03/15/2015

TAGS: PGOV PINR TW

SUBJECT: NEW KAOHSIUNG MAYOR ON CROSS-STRAIT AND OTHER

ISSUES

Classified By: ROBERT W. FORDEN, AIT KAOHSIUNG PRINCIPAL OFFICER. REASON: $1.4(\mbox{B/D})$.

SUMMARY

- (C) In an initial call by AIT/K Branch Chief on newly ¶1. appointed Kaohsiung Acting Mayor Chen Chi-Mai, Chen described himself as a DPP moderate who sees expanded cross-Strait economic ties as the best way to build confidence across the Strait. Widely seen as a protege of President Chen, Mayor Chen took office last month to serve out the remaining 22 months of now-Premier Frank Hsieh's term as Kaohsiung Mayor. A former three-term legislator from Kaohsiung, Chen is the son of former Presidential Office Deputy Secretary General Chen Che-nan, himself a major powerbroker in Kaohsiung politics. Chen saw Beijing's passage of an Anti-Secession Law as a major mistake and said a Taiwan reaction was inevitable, likely to include a freeze on progress in cross-Strait flights as well as a major Legislative Yuan debate and action. He believed a referendum would be proposed and fail, but might lead the LY to lower the threshold requirements for holding referenda in the future. Surprisingly, Chen made a point of discounting the widespread belief that he was appointed because of support from President Chen, instead attributing his appointment to Premier Hsieh's recommendation. Chen expressed optimism for, and implicit support of, Hsieh's chances to win the Presidency in 2008. End Summary.
- 12. (C) In an initial call by AIT/K Branch Chief on Chen Chi-Mai, Kaohsiung's new Acting Mayor, Chen described himself as a DPP moderate, especially with respect to cross-Strait issues. He noted that cross-Strait relations were characterized by both cooperation and competition, and he believed the best approach was to identify and pursue areas of mutual benefit. He acknowledged, however, that his moderate approach on this issue might bring pressure from the 11-12 percent of Kaohsiung's population -- the highest of any of Taiwan's cities or counties -- that supports the Taiwan Solidarity Union (TSU) and Taiwan independence.

Taiwan Reaction to Anti-Seccession Law Inevitable

13. (C) Chen saw the expected passage of China's Anti-Seccession Law as a major mistake. He believed Beijing's pursuit of the law was primarily for domestic political reasons, but it would unfortunately have extremely negative repercussions for cross-Strait relations. Chen said a Taiwan reaction was inevitable. He expected that at a minimum, progress on direct flights would be frozen and believed it could even last long enough to prevent a repeat of Chinese New Year flights next winter. Chen also stated that a debate and some action in Taiwan's LY would be unavoidable. The TSU would likely propose a referendum and, while it would likely fail, Chen believed the LY might end up lowering the threshold for holding referenda in the future. Overall, the TSU would likely take the opportunity to step up its activities considerably and Chen worried that the result would create new obstacles to making cross-Strait progress.

Criticism of Chen-Soong Meeting Will Not Last

14. (C) Commenting on criticism of President Chen for his meeting with People First Party Chairman James Soong, Mayor Chen said the President had little choice. President Chen had no more elections to run and primarily was concerned with his place in the history books. However, without a legislative majority, he had to compromise to get through legislation that would help ensure his legacy. Mayor Chen saw the President's three priorities as boosting the economy, improving cross-Strait relations and completing constitutional revisions to make Taiwan's constitution relevant and improve its political system. While Mayor Chen understood those in the DPP who had criticized Chen for the meeting with Soong, he did not believe the criticism would last nor would it have much impact on future elections.

Looking at the year-end elections for county magistrates and city mayors, Chen said he saw no reason for concern anywhere in the South; all the DPP incumbents were safe.

Will KMT Elders Accept Ma?

15. (C) Chen, who worked closely with many Pan Blue legislators during his 10 years in the LY, said he did not believe Wang Jyn-ping had much chance to win the Kuomintang (KMT) Chairmanship. Mainlanders in the KMT liked Taipei Mayor Ma Ying-jeou and so did reformers. Wang has local factional support in the South, but cannot match Ma for charisma. The wild card, Chen believed, was whether KMT party elders could accept Ma, who is seen by many of them as weak and easily backed down. Chen believed if current KMT Chairman Lien Chan decides to stay, Ma would not fight. For the DPP, Chen noted, Lien continuing to run the KMT would be the best possible result.

Looking at 2008 Presidential Race -- Hsieh will Beat ${\tt Ma}$

- 16. (C) Turning to the next presidential race, Chen expressed confidence that Premier Frank Hsieh would prove a formidable candidate. Hsieh has strong DPP credentials, but is also seen as moderate, safe and stable. He is more popular than DPP Chairman Su Tseng-chang, Chen opined. While Hsieh did not have anything like Ma Ying-jeou's support in the North, Hsieh would do very well in the central regions and of course even more strongly in the South.
- 17. (C) On the Pan-Blue side, Chen said Ma Ying-jeou had both strengths and weaknesses. He has star quality, but comes across poorly at the grassroots level. Chen did not believe he would do well in the South outside urban youth. While Soong did well in the South five years ago in part because of his "star quality", it was also because many still identified with the KMT and identified him with the KMT. In addition, Soong worked the grassroots well. Ma had none of these advantages and would therefore not be able to repeat Soong's success in the South.

Mayor Chen Sees Challenges in Next Year's Election

18. (C) Chen acknowledged that he had an uphill battle in trying to establish himself well enough in Kaohsiung over the next year and a half before he had to run for election. He felt confident, however, given that the Pan Green and Pan Blue split in Kaohsiung was fairly stable at 53 to 47 percent. Hsieh had suffered in his last election because of the farmer's and fisherman association reform, which had been badly handled by the Chen administration and came just before Hsieh's re-election. On his deep-green flank, Chen noted, he had to pay attention to the pro-independence vote. TSU LY Caucus Leader and Chairman for Kaohsiung, Lo Chih-ming had already indicated he might run against Chen.

Comment -- A Rising Star to Watch

- 19. (C) Chen is clearly tapped into the highest reaches of Taiwan policymaking, both directly through his official position (the Mayor of Kaohsiung has cabinet-level status) and close contacts with the President, and through his father who continues to play an important role behind the scenes. His views on cross-Strait issues, including the Anti-Seccession Law, are similar to what we have heard from others and likely reflect internal DPP debate over how Taiwan should react.
- 110. (C) While Chen claims to be a moderate, we have already seen him act contrary to his own views for political expediency; he insisted up until a day before the TSU's anti-Anti-Secession-Law rally in Kaohsiung on March 6 that he would not attend, only to reverse himself at the last minute and appear as a featured speaker. While he was probably encouraged to do so by President Chen in order to lessen pressure on the DPP, the senior leadership of which opted out, he also probably assessed it was important for his own political future. With most local Pan-Green officials, including the DPP caucus of the Kaohsiung City Council, joining the rally, Chen likely realized that the 11-12 percent of Kaohsiung's voters supporting the TSU, would note his absence. In local politics, unlike the LY, exhibiting strong Party discipline does not necessarily win you points. Without paying at least some lip-service to the deeper green forces in Kaohsiung, Chen Chi-Mai may worry about his election chances next year. TSU's Lo Chih-Ming, in announcing early his interest in running for Mayor of Kaohsiung, already has highlighted Chen Chi-Mai's potential vulnerability with the deep green.
- 111. (C) Chen surprised us with his strong endorsement of Premier Hsieh, something we never heard from him during his

years as an LY member. We suspect he needs to appear close to Hsieh in order to ensure support from Hsieh's base in Kaohsiung as well as the many of Hsieh's aides still working in the Kaohsiung City Government. It may also reflect the "party line" of the President's Justice Alliance Faction, which clearly sees Premier Hsieh as the President's best bet to build cross-party cooperation toward achieving President Chen's legislative agenda. Finally, Chen Chi-Mai may just be hedging his bets, seeing that Hsieh is a rising force and a key contender for President. While Chen Chi-Mai almost certainly remains a protege of President Chen, he may assess that his future also depends on his ability to establish credibility across factional lines.

Bio Note on Chen Chi-Mai

- 112. (SBU) Born February 23, 1965 in Keelung, Chen is the son of Chen Che-nan, former Deputy Secretary General of the Presidential Office and a key powerbroker on the Kaohsiung political scene. Through his father and as a result of years of working closely with President Chen, Chen Chi-Mai enjoys direct access to the President and is a member of the Justice Faction of the DPP, let by President Chen. In December 2002, Chen Chi-Mai played a decisive role in the resolving Kaohsiung City Council scandal when he successfully convinced President Chen to intervene and distance the DPP from its councilors that had been involved. President Chen's early and direct intervention proved critical in minimizing the negative fallout of the scandal on the DPP.
- 113. (C) Seen as one of the rising stars in the DPP, Chen Chi-Mai maintains close relations with a range of similarly-aged DPP stars, including Luo Wen-chia, Chairman of the Hakka Affairs Council and a likely candidate this year for Taipei County Magistrate, Chiu Tai-san, Vice Chairman of the Mainland Affairs Council and a likely candidate for Taichung County Magistrate, and Cho Jung-tai, the cabinet spokesman.
- 114. (SBU) Chen is a medical doctor by training, with a M.S. in Public Health from National Taiwan University, and a BS in Medicine from Chung Shan Medical College. He is married his wife is an OB-GYN on staff at Kaohsiung Veteran's hospital, and has two young children. He speaks some English perhaps an FSI 2/2 level. Chen participated in an AIT International Visitor program in 2001. He is surprisingly quiet for a politician, almost shy, and takes a more intellectual approach to issues than most Taiwan politicians. This may change, however, as he pushes himself to establish credibility among Southern Taiwan's traditional constituencies that are more accustomed to colorful and dynamic local politicians.

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